

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

December 23, 2014

Stephen Fitton
Medicaid Director
Department of Community Health
400 South Pine Street
Lansing, MI 48913

Dear Mr. Fitton:

Thank you for the state's request to extend Michigan's Plan First! (Project No. 11-W-00215/5) section 1115 family planning demonstration, which is due to expire on December 31, 2014. The state has requested to continue coverage through June 30, 2015 for women who are enrolled in the program as of December 31, 2014.

With this letter, the Centers for Medicare & Medicaid Services (CMS) is granting a temporary extension of your demonstration until June 30, 2015. The demonstration is currently operating under the authority of section 1115(a) of the Social Security Act. Additionally, the current list of expenditure authorities and special terms and conditions will continue to apply to the Plan First! demonstration until June 30, 2015.

If you have any questions, please do not hesitate to contact your project officer, Ms. Shanna Janu. Ms. Janu can be reached at (410) 786-1370, or at shanna.janu@cms.hhs.gov. We look forward to continuing to work with you and your staff on this demonstration.

Sincerely,

/s/

Eliot Fishman
Director

cc: Verlon Johnson, Associate Regional Administrator, Region V
Leslie Campbell, Chicago Regional Office

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

September 29, 2014

Stephen Fitton
Medicaid Director
Department of Community Health
400 South Pine Street
Lansing, MI 48913

Dear Mr. Fitton:

Thank you for the state's request to extend Michigan's Plan First! (Project No. 11-W-00215/5) section 1115 family planning demonstration, which is due to expire on September 30, 2014.

With this letter, the Centers for Medicare & Medicaid Services (CMS) is granting a temporary extension of your demonstration until December 31, 2014. The demonstration will continue to operate under the authority of section 1115(a) of the Social Security Act. Additionally, the current list of expenditure authorities and special terms and conditions will continue to apply to the family planning demonstration until December 31, 2014.

If you have any questions, please do not hesitate to contact your project officer, Ms. Shanna Janu. Ms. Janu can be reached at (410) 786-1370, or at shanna.janu@cms.hhs.gov. We look forward to continuing to work with you and your staff on this demonstration.

Sincerely,

/s/

Eliot Fishman
Director

cc: Verlon Johnson, Associate Regional Administrator, Region V
Leslie Campbell, Chicago Regional Office

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

June 27, 2014

Stephen Fitton
Medicaid Director
Department of Community Health
400 South Pine Street
Lansing, MI 48913

Dear Mr. Fitton:

Thank you for the state's request to extend Michigan's Plan First! (Project No. 11-W-00215/5) section 1115 family planning demonstration, which is due to expire on June 30, 2014.

With this letter, the Centers for Medicare & Medicaid Services (CMS) is granting a temporary extension of your demonstration until September 30, 2014. The demonstration will continue to operate under the authority of section 1115(a) of the Social Security Act. Additionally, the current list of expenditure authorities and special terms and conditions will continue to apply to the family planning demonstration until September 30, 2014.

If you have any questions, please do not hesitate to contact your project officer, Ms. Shanna Wiley. Ms. Wiley can be reached at (410) 786-1370, or at shanna.wiley@cms.hhs.gov. We look forward to continuing to work with you and your staff on this demonstration.

Sincerely,

/s/

Eliot Fishman
Director

cc: Verlon Johnson, Associate Regional Administrator, Region V
Leslie Campbell, Chicago Regional Office

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

June 27, 2014

Stephen Fitton
Medicaid Director
Department of Community Health
400 South Pine Street
Lansing, MI 48913

Dear Mr. Fitton:

Thank you for the state's request to extend Michigan's Plan First! (Project No. 11-W-00215/5) section 1115 family planning demonstration, which is due to expire on June 30, 2014.

With this letter, the Centers for Medicare & Medicaid Services (CMS) is granting a temporary extension of your demonstration until September 30, 2014. The demonstration will continue to operate under the authority of section 1115(a) of the Social Security Act. Additionally, the current list of expenditure authorities and special terms and conditions will continue to apply to the family planning demonstration until September 30, 2014.

If you have any questions, please do not hesitate to contact your project officer, Ms. Shanna Wiley. Ms. Wiley can be reached at (410) 786-1370, or at shanna.wiley@cms.hhs.gov. We look forward to continuing to work with you and your staff on this demonstration.

Sincerely,

/s/

Eliot Fishman
Director

cc: Verlon Johnson, Associate Regional Administrator, Region V
Leslie Campbell, Chicago Regional Office

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

June 27, 2013

Stephen Fitton
Medicaid Director
Department of Community Health
400 South Pine Street
Lansing, MI 48913

Dear Mr. Fitton:

With this letter, the Centers for Medicare & Medicaid Services (CMS) is granting a temporary extension of Michigan's Plan First! (Project No. 11-W-00215/5) demonstration until June 30, 2014. The demonstration is currently operating under the authority of section 1115(a) of the Social Security Act. The current lists of waiver and expenditure authorities and special terms and conditions will continue to apply to the Plan First! demonstration until June 30, 2014.

As you know, starting January 1, 2014, eligibility for Medicaid for most individuals will be determined using methodologies that are based on modified adjusted gross income (MAGI). This requirement applies to eligibility for family planning section 1115 demonstrations. In addition, starting October 1, 2013, states are also required to make available a single, streamlined application for MAGI-based eligibility.

We understand that there are special attributes of this demonstration to consider when deciding how to integrate family planning eligibility into the state's MAGI eligibility rules and the single, streamlined application process. Should you need additional time to integrate these features into your family planning section 1115 demonstration, CMS requests that you use the standard process of requesting acceptable mitigations. Your project officer, Shanna Wiley, with the Division of State Demonstrations and Waivers, is available to work with you to determine the appropriate approach for your state if you are not able to integrate these features into your family planning 1115 demonstration by January 1, 2014. Please do hesitate to contact Ms. Wiley at (410) 786-1370, or at shanna.wiley@cms.hhs.gov.

Sincerely,

/s/

Jennifer Ryan
Acting Director

Page 2 of 2 – Mr. Stephen Fitton

cc: Verlon Johnson, ARA, Region V
Courtenay Savage, Chicago Regional Office

Ms. Janet Olszewski
Director
Michigan Department of Community Health
Lewis Cass Building
320 South Walnut
Lansing, MI 48913

Dear Ms. Olszewski:

We are pleased to inform you that Michigan's request for its Section 1115 Medicaid demonstration project for family planning services, as modified by the Special Terms and Conditions (STCs) accompanying this award letter, has been approved as Project Number 11-W-00215/5. Under this demonstration, the State will cover family planning services for women ages 19 through 44, who are not otherwise eligible for Medicaid, the State's Health Insurance Flexibility and Accountability Demonstration (HIFA), or other coverage that provides family planning services, and who have family income at or below 185 percent of the Federal Poverty Level (FPL). Approval for this demonstration is under the authority of Section 1115 of the Social Security Act (the Act) and is effective as of the first of the month following this approval for a 5 year period. Section 1115(a) of the Social Security Act allows the Secretary to approve a demonstration which, in his judgment, is likely to assist in promoting the objectives of title XIX.

Enclosed are the STCs that the State must meet as a condition for approval of this demonstration. These STCs define the nature, character, and extent of anticipated Federal involvement in the project. This award is subject to our receipt of your written acceptance of the award, including the STCs, within 30 days of the date of this letter.

All requirements of the Medicaid program as expressed in law, regulation, and policy statement not expressly identified as not applicable in this letter, shall apply to the Michigan family planning demonstration.

Medicaid Costs Not Otherwise Matchable

Under the authority of Section 1115(a)(2) of the Social Security Act (the Act), the following expenditures that would not otherwise be regarded as expenditures under Title XIX of the Act will be regarded as expenditures under the State's Title XIX Plan. All requirements of the Medicaid statute will be applicable to such expenditure authorities, except those specified below as not applicable to these expenditure authorities. In addition, all requirements in the enclosed STCs will apply to these expenditure authorities.

Expenditures for family planning services for women of childbearing age, 19 through 44, who are not otherwise eligible for Medicaid, the State’s HIFA Demonstration, or other coverage that provides family planning services, and who have family income at or below 185 percent of the FPL.

Medicaid Requirements Not Applicable to the Medicaid Expenditure Authorities:

All Medicaid requirements apply, except the following:

1. Amount, Duration and Scope of Services (Comparability) – Section 1902(a)(10)(B)

The State will offer to the demonstration population a benefit package consisting only of approved family planning services.

**2. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)–
Section 1902(a)(43)**

The State will not furnish or arrange for EPSDT services to the demonstration population.

3. Retroactive Coverage – Section 1902(a)(34)

Individuals enrolled in the family planning demonstration program will not be retroactively eligible.

4. Prospective Payment System for Federally Qualified Health Centers and Rural Health Clinics–Section 1902(a)(15)

To enable the State to establish reimbursement levels to these clinics that would compensate them solely for family planning services.

Your project officer is Ms. Susan Gratzer, who may be reached at (410) 786-8694. Ms. Gratzer is available to answer any questions concerning the scope and implementation of the project in your application. Communications regarding program matters, and official correspondence concerning the project, should be submitted to the project officer at the following address:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
7500 Security Boulevard, Mail Stop: S2-01-16
Baltimore, Maryland 21244-1850
E-mail: Susan.Gratzer@cms.hhs.gov

Official communications regarding program matters should be submitted simultaneously to Ms. Gratzer and to Mr. Alan Dorn, Acting Associate Regional Administrator, in the Chicago Regional Office. Mr. Dorn’s address is:

Page 3– Ms. Janet Olszewski

Centers for Medicare & Medicaid Services
Division of Medicaid and State Operations
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601

We extend our congratulations to you on this award and look forward to working with you during the course of the demonstration.

Sincerely,

Mark B. McClellan, M.D., Ph.D.

Enclosures

cc:

Alan Dorn, Acting ARA, CMS Chicago Regional Office

**Centers for Medicare & Medicaid Services (CMS)
Special Terms and Conditions**

Project Number: 11-W-00215/5
Project Title: Plan First! Michigan’s Family Planning Demonstration Program
State: State of Michigan

Financial Issues

1. All requirements of the Medicaid program expressed in law not expressly identified as not applicable in the demonstration letter of which these Special Terms and Conditions are part, will apply to the Michigan Family Planning Section 1115 Demonstration.
 - a. To the extent the enforcement of such laws, regulations, and policy statements would have affected State spending without the demonstration in ways not explicitly anticipated in this agreement, CMS will incorporate such effects into a modified budget limit for this Family Planning Section 1115 Demonstration Program. The modified budget limit would be effective upon enforcement of the law, regulation, or policy statement. If the law, regulation, or policy statement cannot be linked specifically with program components that are or are not affected by the family planning Section 1115 demonstration (e.g., all disallowances involving provider taxes or donations), the effect of enforcement on the State’s budget limit will be proportional to the size of the family planning Section 1115 demonstration in comparison to the State’s entire Medicaid program (as measured in aggregate medical assistance payments).
 - b. The State will, within the time specified in law, come into compliance with any changes in Federal law affecting the Medicaid program that occur after the approval date of the demonstration. To the extent that a change in Federal law, which does not exempt state Section 1115 demonstrations, would affect State Medicaid spending without the demonstration, CMS will incorporate such changes into a modified budget limit for the family planning Section 1115 demonstration. The modified budget limit will be effective upon implementation of the change in Federal law, as specified in law. If the new law cannot be linked specifically with program components that are or are not affected by the family planning Section 1115 demonstration (e.g., laws affecting sources of Medicaid funding), the State will submit its methodology to CMS for complying with the change in law. If the methodology is consistent with Federal law and in accordance with Federal projections of the budgetary effects of the new law in Michigan, CMS would approve the methodology. Should CMS and the State, working in good faith to ensure State flexibility, fail to develop within 90 days of the implementation of the change in Federal law a methodology to revise the without-demonstration baseline that is consistent with Federal law and in accordance with Federal budgetary projections, a reduction in Federal payments will be made according to the method applied in non-demonstration states.

- c. The State may submit to CMS a request for an amendment to the family planning demonstration to request exemption from changes in law occurring after the approval date of the demonstration. The cost to the Federal Government of such an amendment must be offset to ensure that total projected expenditures under a modified family planning Section 1115 demonstration program do not exceed projected expenditures without the family planning Section 1115 demonstration (assuming full compliance with the change in law).
 - d. Budget Neutrality Monitoring Procedures (See Attachment A).
2. The following financial reporting procedures must be adhered to:
- a. In order to track expenditures under this demonstration, Michigan will report expenditures through the Medicaid and State Children's Health Insurance Program Budget and Expenditures System (MBES/CBES), following routine CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual. All expenditures subject to the budget neutrality cap shall be reported on separate Forms CMS-64.9 Waiver and/or 64.9P Waiver, identified by the demonstration project number assigned by CMS (including the project number extension, which indicates the demonstration year in which service was rendered or for which capitation payments were made). The State will provide quarterly expenditure reports using Form CMS-64 to separately report expenditures for those receiving services under the Medicaid program and those participating in the demonstration. CMS will provide Federal financial participation (FFP) only for allowable demonstration expenditures that do not exceed the predefined limits as specified in Attachment A. Demonstration participants include all individuals who obtain one or more covered medical family planning services through the demonstration. For monitoring purposes, cost settlements attributable to the expenditures subject to the budget neutrality cap must be reported on line 10B, in lieu of lines 9 or 10C.
 - b. The Federal share for demonstration expenditures matched at the State's regular match rate should be reported using column (B) of Form CMS 64.9 Waiver and/or 64.9P Waiver and in column (D) for services eligible for the family planning match rate of 90 percent.
 - c. All claims for Michigan's family planning services provided during the demonstration period (including any cost settlements) must be made within 2 years after the calendar quarter in which the State made the expenditures. During the period following the conclusion or termination of the demonstration, the State must continue to separately identify demonstration expenditures using the procedures outlined above.
 - d. Administrative costs will not be included in budget neutrality; however, the State must separately track and report administrative costs attributable to the demonstration on Form CMS-64.10 Waiver and/or 64.10P Waiver.
 - e. The State will provide to CMS, on a yearly basis, the average total Medicaid expenditures for a Medicaid-funded birth. The cost of a birth includes prenatal services and delivery and pregnancy-related services and services to infants from birth through age 1. (The

services should be limited to the services that are available to women who are eligible for Medicaid because of their pregnancy and their infants.)

- f. The State will submit to CMS, on a yearly basis, the number of actual births that occur to demonstration participants (as noted above participants include all individuals who obtain one or more covered medical family planning services through the demonstration).
 - g. The Michigan Medicaid office must institute a data sharing relationship with the State Agency that performs the calculation of the vital statistics in order to ensure State compliance with the birth data reporting requirements under the demonstration. The State must notify CMS if birth data will not be available within 3 months of the end of each demonstration year.
 - h. The State will assure CMS that no payments duplicative of federal expenditures will be made for individuals who are enrolled in the State's regular Medicaid program, the SCHIP program, or any other Federally funded program; i.e., Title X. The State will not use Title XIX funds to pay for individuals enrolled in regular Medicaid, SCHIP, or any other Federally funded program who seek services under the family planning demonstration, if the State is already covering the costs of services for that individual under any of these other programs.
 - i. The State will assure CMS that no payments duplicative of Federal expenditures will be made for individuals who are also enrolled in the State's Health Insurance Flexibility and Accountability (HIFA) Demonstration. Specifically, the State will not provide payment under this demonstration for HIFA enrollees receiving an outpatient family planning visit. In these cases, office visit payments will be made under the HIFA demonstration, not under the family planning demonstration.
3. The standard Medicaid funding process will be used during the demonstration. The State must estimate matchable Michigan Medicaid demonstration expenditures on the quarterly Form CMS-37. The State must provide supplemental schedules that clearly distinguish between demonstration expenditure estimates (by major component) and non-demonstration Medicaid expenditure estimates. CMS will make Federal funds available each quarter based upon the State's estimates, as approved by CMS. Within 30 days after the end of each quarter, the State must submit Form CMS-64 quarterly Medicaid expenditure report, showing Medicaid expenditures made in the quarter just ended. CMS will reconcile expenditures reported on Form CMS-64 with Federal funding previously made available to the State for that quarter, and include the reconciling adjustment in a separate grant demonstration to the State.
4. CMS will provide FFP at the appropriate 50 percent of FFP administrative matching rate for administrative costs associated with family planning services rendered under the Michigan family planning program. Outreach performed by the Medicaid agency or other entities under contract to the Medicaid agency will be available at the administrative match rate of 50 percent of FFP.

5. The State will certify that State/local monies are used as matching funds for demonstration purposes and will further certify that such funds will not be used as matching funds for any other Federal grant or contract, except as permitted by Federal law.
6. FFP for services (including prescriptions) provided to women under the family planning demonstration will be available at the following rates and as described in Attachment B:
 - a. For services whose primary purpose is family planning (contraceptives and sterilizations) and which are provided in a family planning setting, FFP will be available at the 90 percent matching rate. Procedure codes for office visits, laboratory tests, and certain other procedures must carry a diagnosis that specifically identifies them as a family planning service.
 - b. For medical diagnosis or treatment services that are provided in conjunction with a family planning service in a family planning setting--specifically, follow-up diagnostic tests and treatment for sexually transmitted infections (STI) that carry a diagnosis code which indicates that they are related to a family planning service, FFP will be available at the regular FMAP rate. Services/surgery which are generally provided in more intensive settings (i.e., ambulatory surgery center/facility, special procedure room/suite, emergency room, urgent care center or hospital) or which require facilities and technicians which are not part of the office or clinic where the family planning-related service is provided (e.g., radiology and clinical laboratory tests), are not covered under the demonstration.
 - c. FFP will not be available for the costs of any services, items or procedures that do not meet the requirements specified above, even if family planning clinics or providers provide them. For example, in the instance of testing for an STI as part of a family planning visit, the match rate would be 90 percent. The match rate for the subsequent treatment would be the regular FMAP rate. For testing or treatment not associated with a family planning visit, no match would be available.

Administrative Reports and Deliverables

7. The State will submit to CMS base-year fertility rates and a methodology for calculating the fertility rates. Preliminary base-year fertility rates must be submitted for approval within the first operational year of the demonstration and conform to the following requirements:
 - a. They must reflect fertility rates during the Base Year 2003 for women, age 19-44 years, with family incomes at or below 185 percent FPL and ineligible for Medicaid except for pregnancy.
 - b. They must be adjusted for age for all potential demonstration participants.
 - c. The fertility rates will include births paid for by Medicaid.

The State will be allowed up to 6 months after the end of the first demonstration year to finalize these preliminary rates.

8. The State will submit narrative progress reports 30 days following the end of each demonstration quarter. The format for the progress reports will be provided by CMS prior to the submission of the first report. The fourth quarterly report will summarize the preceding

demonstration year's activity and serve as the annual report. The annual report will be due 90 days following the end of the fourth quarter of each project year.

9. The State will provide to CMS, on a quarterly basis, the number of individuals enrolled in the demonstration as well as the number of participants. This information should be provided to CMS with the quarterly narrative report.
10. Within 60 days from the date of approval of the demonstration, the State will provide to CMS for approval, an appropriate methodology for ensuring the integrity of initial and annual eligibility re-determination of individuals covered under the family planning demonstration based on income at or below 185 percent of the Federal poverty level (FPL).
11. Within 60 days from the date of approval of the demonstration and prior to implementation, the State will provide to CMS an evaluation plan for approval that ensures the integrity of eligibility determinations to be conducted on an annual basis. This evaluation plan will include an eligibility determination error rate methodology with a corrective action plan.
12. Michigan shall submit a draft final report to the CMS project officer for comments. The final report will incorporate all evaluation findings. The draft final report will be due 180 days prior to the end of the demonstration award period. The State should consider CMS' comments for incorporation in the final report. The final report is due 90 days after the end of the demonstration award period.

The final report of the project may not be released or published without permission from the CMS project officer, except as required by law, within the first 4 months following receipt of the report by the CMS project officer. The final report will contain a disclaimer that the opinions expressed are those of the State and do not necessarily reflect the opinions of CMS.

13. Michigan will notify the CMS project officer before formal presentation of any report or statistical or analytical material based on information obtained through this cooperative agreement. Formal presentation includes papers, articles, professional publications, speeches, and testimony. During this research, whenever the State or its designee determines that a significant new finding has been developed, he/she will immediately communicate it to the CMS project officer before formal dissemination to the general public.
14. The State will assume responsibility for the accuracy and completeness of the information contained in all technical documents and reports submitted. The CMS project officer will not direct the interpretation of the data in preparing these documents and reports.
15. At any phase of the project, including the project's conclusion, the State, if so requested by the project officer, must submit to CMS analytic data file(s), with appropriate documentation, representing the data developed/used in end-product analyses generated under the demonstration. The analytic file(s) may include primary data collected or generated under the demonstration and/or data furnished by CMS. The content, format, documentation, and schedule for production of the data file(s) will be agreed upon by the State or its designee and the CMS project officer. The negotiated format(s) could include both the file(s) that would be limited to CMS internal use and the file(s) that CMS could make available to the general public.

16. At any phase of the project, including the project's conclusion, the State, if so requested by the project officer, must deliver any materials, systems, or other items developed, refined, or enhanced during or under the demonstration to CMS. The State agrees that CMS will have royalty-free, nonexclusive, and irrevocable rights to reproduce, publish, or otherwise use and authorize others to use such materials, systems, or items for Federal Government purposes.
17. A phase-out plan for the demonstration needs to be submitted for approval to CMS within 90 days of the award of the demonstration. The phase-out plan must address the fact that the State is responsible for informing enrollees of the fact that the demonstration will end 5 years from the beginning date.
18. The State shall submit a detailed implementation schedule to CMS at least 30 days prior to the scheduled date of implementation.

Eligibility Redeterminations

19. The State will insure that redeterminations of eligibility for this demonstration are conducted, at a minimum, once every 12 months and are not passive redeterminations.

Primary Care Referral and Evaluation

20. The State shall facilitate access to primary care services for enrollees in the Medicaid Section 1115 Family Planning Demonstration. The State shall submit to CMS a copy of the written materials that are distributed to the family planning demonstration participants as soon as they are available. The written materials must explain to the participants how they can access primary care services. In addition, the State must evaluate the impact of providing referrals for primary care services. This component of the evaluation must be highlighted in the evaluation design report that will be submitted to CMS (see Term and Condition number 22).
21. Should CMS conduct an independent evaluation of family planning demonstrations, the State will cooperate fully with CMS or the independent evaluator selected by CMS, to assess the impact of the Medicaid demonstrations and/or to examine the appropriateness of the budget neutrality averted birth methodology. The State will submit the required data to the contractor or CMS.
22. A final evaluation design report must be submitted to CMS for approval within 30 days from the award of the demonstration. At a minimum, the evaluation design should include a detailed analysis plan that describes how the effects of the demonstration will be isolated from those of other initiatives occurring in the State. The report should also include an integrated presentation and discussion of the specific hypotheses (including those that focus specifically on the target population for the demonstration) that are being tested. The report will also discuss the outcome measures that will be used in evaluating the impact of the demonstration, particularly among the target population. It will also discuss the data sources and sampling methodology for assessing these outcomes. Finally, it will discuss how the referral process for primary care will be evaluated.

23. Family planning expenditures under the Medicaid program have increased in recent years. Thus, as part of the demonstration's overall monitoring, the State shall monitor the rate of expenditure growth for family planning services under the Medicaid program and under the demonstration. This monitoring will be done on a per capita basis, using total expenditures recorded during the first year of the demonstration as a baseline. As a frame of reference, the State should compare the annual rate of growth of actual expenditures with the baseline amount trended forward using the Medical Consumer Price Index (MCPI). The comparison of actual per capita expenditures over the life of the demonstration and per capita expenditures trended using MCPI will be considered if the State seeks an extension of its family planning demonstration.

Enrollment Cap

24. Michigan's family planning demonstration is budgeted to include an enrollment cap of 200,000 women. When or if the enrollment numbers appear to be approaching this cap, the State will notify CMS within 60 days of implementation of the cap. Public notice will be provided, at a minimum, 30 days prior to implementation of the cap. If additional applications are dated and submitted after an enrollment cap effective date, the State will inform the applicant of the enrollment freeze and will not process such applications. If appropriate, the State will refer the applicant for Medicaid or SCHIP enrollment.

Suspension/Termination of Demonstration

25. Failure to operate the demonstration as approved and according to Federal and State statutes and regulations will result in withdrawal of approval for the demonstration. The Federal statutes and regulations with which the State must comply in the operation of the demonstration include civil rights statutes and regulations that prohibit discrimination on the basis of race, color, national origin, disability, sex, age, and religion, including Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title II of the Americans with Disabilities Act, and the nondiscrimination provisions of the Omnibus Budget Reconciliation Act of 1980.
26. CMS may suspend or end any project in whole, or in part, any time before the date of expiration, whenever it determines that the State has materially failed to comply with the terms of the project. CMS will promptly notify the State in writing of the determination and the reasons for the suspension or termination, with the effective date. The budget neutrality test will be applied on the time period through termination without adjustment.
27. CMS reserves the right unilaterally to terminate the demonstration and the accompanying Federal matching authority if CMS determines that continuing the demonstration would no longer be in the public interest. If a family planning demonstration is terminated by CMS, the State will be liable for cumulative costs under the demonstration that are in excess of the cumulative target expenditures specified in the Expenditure Review section of Attachment A for the demonstration year of withdrawal.
28. After the demonstration is approved, CMS reserves the right to terminate it if agreement cannot be reached on any item(s) cited in this document. The State also has the same right.